DOCUMENT RESUME

ED 221 920 EA 014 976

AUTHOR Peterson, Paul E.; Wong, Kenneth K.
TITLE Comparing Federal Education and Housing Programs: Toward a Differentiated Theory of Federalism.
PUB DATE Sep 82
NOTE 32p.; Paper presented at the Annual Meeting of the American Political Science Association (Denver, CO, September 1-4, 1982).

EDRS PRICE MF01 Plus Postage. PC Not Available from EDRS.
DESCRIPTORS Administrative Principles; *City Government; Educationally Disadvantaged; Elementary Secondary Education; Federal Aid; *Federal Government; *Federal Programs; *Federal State Relationship; Government Role; Housing; Political Science; Program Administration; Program Effectiveness; *Public Policy; Social Theories; Tables (Data); Vocational Education
IDENTIFIERS Community Development Block Grant Program; Elementary Secondary Education Act Title I; Housing and Community Development Act Title II; *Maryland (Baltimore); Theory Practice Relationship; Vocational Education Act 1963; *Wisconsin (Milwaukee)

ABSTRACT

In an effort to develop a comprehensive theory of the relationships between different levels of government in the implementation of federal programs, the authors of this report conducted a study of four federal programs operating in both Baltimore (Maryland) and Milwaukee (Wisconsin). Three hypotheses were tested: first, that when program goals at the local level are redistributive rather than developmental, relations between federal and local governments are more complex and conflictual and policy implementation is less complete; second, that administering redistributive programs professionally rather than politically reduces intergovernmental conflict and improves policy implementation; and third, that political administration of developmental programs may increase intergovernmental cooperation and policy implementation. In the study, developmental efforts were represented by the federal government's vocational education and Community Development Block Grant programs, and redistributive efforts by the Elementary and Secondary Education Act's Title I and by the Section 8 Rent Subsidy for Existing Housing program authorized by the Housing and Community Development Act. Interviews with government officials and informed observers supplemented documentary source materials for the study. The findings generally upheld the hypotheses, suggesting that redistributive policies should be a federal prerogative while developmental policies should be pursued through state and local agencies. (Author/PGD)

****
* Reproductions supplied by EDRS are the best that can be made *
* from the original document. *
****

ED221920

U.S. DEPARTMENT OF EDUCATION
NATIONAL INSTITUTE OF EDUCATION
EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)

X This document has been reproduced as received from the person or organization originating it.

☐ Minor changes have been made to improve reproduction quality.

• Points of view or opinions stated in this document do not necessarily represent official NIE position or policy.

"PERMISSION TO REPRODUCE THIS MATERIAL IN MICROFICHE ONLY HAS BEEN GRANTED BY

Paul E. Peterson

TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)."

Comparing Federal Education and Housing Programs: Toward a Differentiated Theory of Federalism

Paul E. Peterson and Kenneth K. Wong

The University of Chicago

Prepared for delivery at the 1982 annual meeting of the American Political Science Association, Denver, Colorado, Sept. 1-4, 1982.

Copyright by the American Political Science Association.

EA 014 976

We have had two different theories or, more accurately, understandings of our federal system. Each has identified a basis for dividing responsibilities among levels of government and each thereby has laid the intellectual groundwork for the conduct of the domestic public policy of our national government. It shall be our argument that neither one of these is sufficiently specified to provide appropriate policy guidance for the 1980s. We shall then report some preliminary findings from a current study that we are undertaking, which may help provide a basis for a more differentiated understanding of our federal system.*

Theories of Federalism

The two theories we have in mind are (1) the marble-cake theory developed by Morton Grodzins (1966), Daniel Elazar (1969), and others; and (2) implementation theory, most forcefully developed by Pressman and Wildavsky (1973) and by Martha Derthick (1972). Significantly, each of these understandings had significant policy consequences. The marble-cake theory provided the intellectual justification for the massive expansion of grant-in-aid programs as part of the Great Society. Implementation theory, in turn, has provided the underlying rationale for current Reagan proposals to replace categorical federal programs with block grants, to cut federal funding, and to redistribute functions so that policy domains become the exclusive preserve of one or another level of government.

Marble-cake theory of federalism

With the passing of older "dual sovereign" ideas about the federal system, the theory of federalism was in the 1960s dominated by the concept of intergovernmental sharing and exchange. Using the metaphor of the "marble-cake," Morton Grodzins (1966) argued that virtually all governmental activities are affected by decisions taken at national, state, and local levels; power was both widely diffused and widely shared. Its overall pattern was marked more by cooperation and mutual assistance than by confrontations between dual sovereigns. Because governmental interrelations were characterized by endless processes of sharing and exchange, the resulting formation had, like a marbled cake, no discernible structure. The metaphor diffused rapidly in the literature of federalism. It fitted nicely with the process-oriented focus of the political science discipline as a whole (Truman, 1951; Greenstone, 1975), and it seemed to give point and direction to descriptive studies of intergovernmental relationships. The more innovative writers added their own metaphoric variations--picket fence, upside-down cake, harlequin icecream brick, or what have you.

The marble-cake understanding of federalism decisively affected the manner in which the Great Society was implemented. Because any level of government could undertake nearly any task, it was felt that one could make federalism "creative" by lubricating it with federal dollars; not surprisingly, supporters drew upon the marble-cake theory to justify and rationalize the mechanisms for redistribution they adopted. Consistent with

*James Christiansen, Carol Peterson, Barry Rabe and Stephen Wood have provided research assistance.

this view of federalism, Great Society reforms were largely executed through state and local governments. In 1965 Congress enacted twenty-one new health programs, seventeen new educational programs, fifteen new economic development programs, twelve new programs to meet city problems, four new programs for manpower training and seventeen resource development programs. All were implemented through joint action between the federal and one or more of the lower levels of government. Federal intergovernmental transfers to state and local govenments increased from $7.7 billion in 1962 to $41.7 billion in 1973, or, in other words, from 1.9 percent of the GNP in 1960 to that of 3.4 percent in 1975. Great Society programs were "marbled" programs, formulated and financed by departments at the federal level, but administered and executed by state and local governments.

But, however appealing and influential this "marble-cake" analogy became, comparing federalism to a structureless piece of pastry is non-theory. It suggests flux, change, and complexity when the purpose of theory is to identify simplicity, pattern, and order. The metaphor directs attention toward individuals, groups, and processes when the essence of federalism is a stable relationship among structures of government. As a result, students of federalism since Grodzins have yet to develop a structural theory of federalism (Peterson, 1981).

There was nonetheless one element in Grodzins' analysis that still deserves special emphasis. Although never quite elevated to a central theme, Grodzins and his students tended to stress the role of professional expertise as the lubricant which allowed the "marbled" federal machinery to work. Common professional values and ideals facilitated communication among city policemen, county sheriffs, state troopers and the federal Federal Bureau of Investigation (FBI). The Forest Service naturalists found it easy to establish working relationships with state and county park officials. Intergovernmental relationships on highway issues were eased by the common background of the engineers who at all levels of government bore responsibility for road design. The federal government's own stress on professional expertise, moreover, encouraged a movement toward greater professionalism among state and local officials. The federal system worked, it seemed, in part because individuals within specific functional areas had developed a common set of commitments and orientations that softened institutional conflicts when they occurred.

Implementation theory

Marble-cake understandings of federalism were either ignored as irrelevant or discarded as antiquated by a new generation of thought on federalism in the United States. More often than not, these new theorists, instead of embedding their research in federal theory, hardly mentioned this prior analytical tradition. But even though they ignored "marble-cake" interpretations, their findings dramatically reversed the conventional understanding of the manner in which grant-in-aid programs operated. Instead of finding inter-governmental cooperation, they identified institutional conflict. Instead of professionalism, they found parochialism. Instead of communication and exchange, they saw organizational complexity and confusion. The new catchword for the study of intergovernmental relations was

no longer "marble-cake" but "implementation."

Three factors that contributed to the difficulties of implementation were stressed by these writers. These were bureaucratic isolation, organizational complexity and constituency influence. First, intergovernmental relationships are marked by the isolation of policy-making in the hands of professional bureaucrats (Weidner, 1967). Administrators at federal, state, and local levels come from a similar background; they had similar values and orientations; they share a common language; and they have a common distaste for the interference of lay outsiders. Insider dominance makes lay involvement in policy innovation difficult, if not impossible. For most of those writing in the implementation tradition, bureaucratic control does not have the advantages of the professionalism that Grodzins identified, for these analysts, bureaucrats had little commitment to the public interest or to the well-being of those for whom the program was ostensibly designed. Instead, they had their own self-serving interests and parochial orientations which were to be defended against proposed reforms at almost any cost.

Secondly, the implementation literature emphasized the vast number of public and private agencies, with overlapping jurisdictions and competing clientele, that must be consulted in a federal system. Any one of these entities can act as a "veto group" frustrating the execution of policy--or at least delaying its implementation until the original purposes are substantially modified. For example, Pressman and Wildavsky analyzed the problems that beset the Economic Development Administration (EDA) when it sought to improve minority employment opportunities in Oakland through the funding of a number of public improvement projects in that city. After beginning with high hopes, large projected budgetary outlays, and the appearance of cooperation on the part of both federal and local officials, EDA was frustrated by numerous delays until, in the end, there was almost no detectable progress toward the original objective. Pressman and Wildavsky observed:

> . . . What seemed to be a simple program turned out to be a very complex one, involving numerous participants, a host of differing perspectives, and a long and tortuous path of decision points that had to be cleared. Given these characteristics, the chances of completing the program with the haste its designers had hoped for--and even the chances of completing it at all--were sharply reduced (1973: 94).

The problems of EDA were thus the problems encountered by any government program in a pluralist political system, where many participants influence policy. Differences must be resolved through compromise, plans must be delayed, and policies must be modified. Given the complexity of the federal system, policy-makers must either accept long delays and policy reversals or develop much more simple programs.

While bureaucratic control and organizational complexity are factors that seem to affect all governmental programs in all localities, constituency theory focuses on variations in the federal system, depending on the specific local political contexts in which national programs are embedded. One of the best recent studies of intergovernmental relations uses constituency analysis

to interpret the processes by which a program, originally planned to provide low-income housing through distribution of surplus federal land, failed to build any new homes for the poor at all (Derthick, 1972). Derthick emphasizes the differences in the value commitments of national and local governments and then relates them to their differing constituencies. She concludes that in many cases the dreams held by Washington official founder on the political realities at the local level.

Implementation theory has been no less policy influential than its successor. Initially, the Nixon and Ford administrations, and, more recently, the Reagan Administration has called for a more simplified federal system. Existing programs have been criticized for their inefficiency and ineffectiveness and for their administrative complexity. In short, the new implementation theories are having as substantial an impact on public policy today as the old marble-cake ideas had on the grant-in-aid programs of the Great Society.

Yet the new implementation theory, while influential in both academic and popular circles, has its own theoretical weaknesses and empirical limitations. For one thing, it assumes that the parochial loyalties of traditional bureaucrats are unchanging. It ignores the possibility that new federal programs may generate their own cadre of professionals, eagerly committed to the objectives of the new program. Secondly, implementation theory finds complexity in federal programs without showing that alternatives are more simple. Many studies focused on the early years of a new program. When solutions to problems were not found immediately, it was assumed that they would never be found. Thirdly, the studies exaggerated the number of times national and local constituencies would be found in conflict with one another. Above all, the new implementation theory is as undifferentiated as the old marble-cake theory. Where the optimistic view of Grodzins and his students found few areas of government activity where conjoint activity could not be undertaken, implementation theory reaches almost exactly the opposite conclusions. But if everything is complex, conflictual and confusing, how has the federal government managed to keep its grant-in-aid programs alive at all? Are there not differences in the way in which policies are implemented? What accounts for these? Methodologically, have the implementation studies allowed a sufficient amount of time to pass before reaching conclusions about their impact? Many of the most influential studies were undertaken in the first two or three years of a program, and many of the difficulties encountered may be attributable more to the fact that the program was new than to the fact that it was federal. Over time, programs may develop more established relationships, and new professionals devoted to the objectives of the new program may appear in the policy system. These professionals may provide the lubrication for new federal policies in the same way Grodzins found such grease on the established programs of earlier decades.

Toward a More Differentiated Theory of Federalism

We are currently engaged in a two-city study of federal programs in housing and education that is attempting to develop both a theoretical and empirical basis for a more differentiated view of the federal system.* Our

*This paper reports some of the preliminary findings from the National Opinion

analysis has been rooted in two basic distinctions: (1) the extent to which a particular federal policy is focused on redistributive as distinct from developmental objectives; and (2) the extent to which federal policy is being administered through an autonomous government agency where professional identifications influence policy implementation. From these two variables, we hypothesized three patterns of intergovernmental relationship.

First, we expected to find both that intergovernmental relations are more complex and more conflictual, and that policy implementation is less complete, when programs are more redistributive in their goals. We expected to find greater conflict in the implementation of redistributive programs for the reasons that one of the authors offered in his book on City Limits. Local communities are more constrained than the federal government by the environmental context in which they operate, because they have to compete with one another in exporting their goods. Local governments cannot regulate the flow of productive resources--labor and capital. Unlike nation-states they cannot establish tariff walls or control human migration. Thus, local government attempts to maximize the community's economic prosperity within these numerous constraints. Without economic growth, the local government faces a stable or shrinking fiscal base. Accordingly, local governments are most likely to promote the types of policies which enhance their economic wellbeings and to avoid policies that have negative effects upon the local economy.

Because of the competitive context in which local communities operate, one can usefully distinguish between developmental and redistributive policies. "Developmental" policies are those public programs which enhance the economic position of the city in its competition with other areas. These policies strengthen the local economy, enhance the local tax base, and generate additional resources that can be used for the community's welfare. In contrast, "redistributive" policies are those programs which benefit low income residents but at the same time negatively affect the local economy. Because "redistributive" policies help the needy and the unfortunate and because they provide reasonably equal citizen access to public services, such policies are sometimes incorporated into local government practice, even when their economic consequences are pernicious. One can roughly calculate whether a policy is redistributive or not by estimating whether those who pay for the service in local taxes are those who are receiving the services. If there is no overlap at all, such as in welfare assistance to non-taxpayers, it is a case of pure redistribution. Thus, in order to maintain or improve the city's fiscal base, local governments are constrained to place economic development objectives ahead of any concern they might have for social equality. At the same time, to make sure that local governments do not allocate federal dollars for non-redistributive purposes, federal officials write tighter regulations, conduct more evaluations, and discipline evasive action locally. On the other hand, since the federal and the local governments are sharing an interest over developmental goals, federal regulations are more relaxed and local governments are given more discretion over the use of federal funds in developmental programs.

Research Center's project on "Education, Equity and Federalism," funded by the National Institute of Education.

Second, within the redistributive realm, we also expect greater intergovernmental conflict and less effective policy implementation where local institutions are less autonomous from political and economic elites. Where professionals are in control of the redistributive policy, we expect increased harmonization of national and local objectives. Grodzins has argued that intergovernmental relationships are primarily marked by a professionalized policy-making process. Professional administrators at federal, state and local levels have developed common professional interests and aspirations. These professionals are increasingly responsible for their assigned functions. These cohesive groups of professional workers come to produce "a guild-like loyalty that transcends their identification with the government which happens to pay their salary." (Grodzins 1966: 71) Consequently, increasingly effective administrative cooperation among various levels of the federal system is reinforced by the merit system, technical information exchange, and professional conferences. On the other hand, a more politicized administration is less responsive to federal guidelines because local leaders will attempt to use federal resources for their own political and economic objectives. Federal resources targeted for a specific group of eligibles are more likely to be used as material incentives for electoral supports.

Third, within the developmental realm, we expect greater federal-local cooperation and harmony and more complete policy implementation where local institutions are more politicized, and professional influences less strong, for reasons that Grodzins did not consider but which are emphasized by case studies on urban politics. (Banfield 1961; Dahl 1961; Wolfinger 1974; Gove and Masotti 1982.) A more politicized institution is often more effective in mobilizing both other public and private sector engagement in developmental program. Mayor Richard Daley, for example, was extremely successful in coordinating the interests of the machine, the professional bureaucrats, and the downtown business sector for Chicago's development. (Gove and Masotti 1982) Richard Lee of New Haven, an equally consummate politician, was able to use even more effectively not only his control over both parties and public agencies but also his influence with business elites to mobilize community support for urban renewal. (Dahl 1961; Wolfinger 1974).

While political and economic elites are ready to transform the achievement of development goals into political gains, reformed institutions controlled by professional elites tend toward insularity and isolation from other institutions and sources of political support. Professionals have fewer incentives to mobilize outsiders and to change standard operating procedures. Consequently, politicized agencies are better able to use federal resources to pursue developmental objectives. (Greenstone and Peterson 1973.) At the same time, in the absence of tight regulations and narrowly-defined objectives, federal officials are more willing to accomodate the concerns of local political leaders. As a result, federal developmental objectives are more likely to assume a central place in the local agenda when local political and economic elites are more involved than when policy is left in the hands of autonomous professionals.

These three hypotheses are summarized in the following table:

Table I

Degree of Cooperation in Intergovernmental Programs
by Federal and Local Governments

Character of local administration	Type of federal program	
	Redistributive	Developmental
Politicized	LOW	HIGH
Professionalized	MODERATE	MODERATE

To test these hypotheses, we examined two federal housing and two education programs in two declining cities, as they operated in the late 1970s and early 1980s. Title I of the Elementary and Secondary Education Act (ESEA Title I) and the Section 8 Rent Subsidy for Existing Housing Program were the two programs that were the more redistributive in nature. The vocational education and Commnity Development Block Grant (CDBG) programs, on the other hand, were primarily developmental. We studied the implementation of these programs in Baltimore and Milwaukee.

The differences between developmental and redistributive programs are exemplified by the objectives and administrative arrangements for the four programs. ESEA Title I was originally passed in 1965 at the height of the Civil Rights movement. Despite three revisions and extensions over the past seventeen years, it continues to adhere to its original redistributive goal of federal assistance to learning-deficient children from low-income families. This program remains the largest federal educational program. Over time, federal regulations specified ever more clearly that monies were to be used strictly for educational services to disadvantaged children living in low-income neighborhoods. For example, in 1970 the Office of Education required local education authorities (LEAs) to show that federal funds "supplemented" rather than merely "supplanted" local district expenditures on schools in poor neighborhoods. By 1978 there were fourteen major program requirements related to fund allocation and program development. Legislative amendments also provided for program evaluation, state supervision, and citizen participation. Each of these provisions were intended to make certain that federal monies are used for disadvantaged children.

Passed as part of the Title II of the Housing and Community Development Act of 1974, the Lower Income Housing Assistance Program for Existing Housing, more commonly known as the "Section 8" program, authorized rent subsidies to low income families. Unlike other public housing programs, Section 8 tenants were allowed to seek their own housing units from the existing stock. Local housing agencies were to be notified only after the landlords and tenants had entered into preliminary agreement. Participating section 8 housing units must meet certain standards of safety and sanitation, and rents for these units must fall within the range of "Fair Market Rent" (FMR), as determined by HUD. In return for their federal allocation, local housing authorities are required to perform various administrative responsibilities, ranging from certifying tenant eligibility and inspecting units to negotiating rent with landlords. In recent years, the program has increasingly been interpreted by the federal government as a major means to achieve better housing opportunities for minority and low income families.

By comparison with these two redistributive programs that have focused on the needs of the poor, the other two programs we studied obviously had more developmental objectives. The Vocational Education Act of 1963, which grew out of the 1917 Smith-Hughes Act, did not intend to address the problems of any narrowly-defined disadvantaged group. Instead, it provided services to anyone seeking a vocational education. The argument for the program was clearly developmental in character: Vocational training would enhance the skills of the work force, leading to higher levels of productivity. Because

the program is designed to strengthen economies, states and localities are more willing to participate in this program even though they have to match the federal allocation with an equal amount of local resources. Local agencies have always had a high degree of flexibility in implementing their programs. Despite amendments of the Act in 1968 and in 1976, federal guidelines on how federal money is to be channeled remain vague. Even though the legislation requires that a certain percentage of funds be spent on specific programs, such as bilingual education training and programs for the handicapped, most aid can be spent for any vocational purpose the local district deems appropriate.

Consolidating most of HUD's existing community development-type categorical programs into a single block grant, the 1974 Community Development Block Grant (CDBG) program has become a "developmental" land use policy. All urban communities are entitled to an annual federal allocation which, in many cases, exceeds even that of federal revenue sharing. As a major pillar of the Nixon administration's new federalism, the CDBG legislation allowed a maximum degree of local discretion in the area of community development by offering a series of broadly-defined objectives and a list of eligible activities. Local CDBG programs are governed only by loosely-defined requirements with respect to citizen participation, evaluation, and audit procedures. Indeed, under this decentralized mechanism, local governments are effectively directing CDBG resources to projects that could strengthen their fiscal base.

Politics and Professionalism in Two Declining Cities

To examine how these federal programs were being implemented, intensive research was carried out in Baltimore and Milwaukee. While particular attention has been paid to the implementation and local impact of the four federal education and housing programs, with which we were most concerned, we also became familar with the more general economic and political characteristics of the city. While their economic context are not dissimilar, these two cities differ in the extent to which their local institutions are professionalized as distinct from remaining in the hands of vote-conscious political elites. Because of this difference in local norms and practices, we were able to see how local administrations differ in their response to federal programs even when their needs and problems are much the same.

To supplement documentary sources, approximately one hundred interviews were conducted with federal, state and local officials and with informed observers of the four programs in these two cities over the past year. In the two school systems, we interviewed school board members, the school superintendent and his central office staff, administrators of federal programs, school principals and the teaching staff. Interviews with local housing officials included top-level administrators in city hall, chief administrators and members of their staff responsible for various federal programs, and representatives of community groups. News reporters, academics and other informed observers were also consulted. Together with documentary sources, these interviews provided us with the information that formed the basis of our analysis. Quotations in this paper are directly taken from these interviews.

Like other central cities in the Frost Belt, Milwaukee and Baltimore are experiencing economic problems. Surrounded by predominantly white suburban

rings, both are experiencing major declines in both their population in general and, even more, in the number of whites living within their boundaries. Baltimore is no longer among the ten largest cities while Milwaukee has moved closer to the bottom of the "second ten." For the past two decades, as suggested by various economic indicators in Tables 2 and 3, the outmigration of homeowners and industrial companies has weakened the tax-base of both cities. The school system is increasingly plagued by the lack of resources and a falling enrollment. Though steadily increasing in current terms, average household incomes are falling behind the rate of inflation. Both metropolises have at least 20 percent of their black families below the low-income level. Unemployment rates, particularly among black youth, are above the national average. Both cities have suffered from a shrinking revenue base while expenditures on city services have risen substantially. Subsequently, both cities are heavily dependent on intergovernmental transfers. But, despite its renewed revitalization efforts under William Schaefer's administration, Baltimore is declining at a faster rate than Milwaukee. As shown in Table 2, population loss in Milwaukee is less severe and it still maintains a white majority of 73 percent. While at least 80 percent of the school enrollment in Baltimore is black, white students still make up 47 percent in the Milwaukee schools. Moreover, Milwaukee seems more ready to cope with the economic recession because of a highly diversified industrial base. Baltimore has suffered from the suburbanization of its many industrial and federal complexes even prior to the recent economic recession.

The degree to which housing and education administrations in Baltimore and Milwaukee are directed by autonomous professionals as distinct from administrators highly responsive to political elites is summarized in Table 4. In the two cities, both housing programs are administered by a more politicized institution. In education, professional direction is the dominant pattern. However, Milwaukee school system is directed by considerably more autonomous professionals than is Baltimore's. These differences, as we have hypothesized, are expected to affect the extent of federal-local cooperation.

The socialist-progressive tradition has contributed to the present reform-like administration in Milwaukee. A high sense of professionalism began to permeate city agencies as early as the 1910s. Currently, the bureaucracy, governed by strong civil service regulations within a nonpartisan electoral system, is relatively autonomous from lateral political influences. Practices of patronage, graft, and corruption have been largely eliminated for decades. The weak mayor-strong city council arrangement also limits the use of patronage by the municipal executive. Appointments to boards and commissions usually require the approval of the city council.

Mayor Henry Maier has nonetheless become a powerful mayor over his twenty-two year tenure. While his long tenure is not atypical in the city's history, Mayor Maier has been exceptionally astute in maintaining political support in times of racial disturbances and of fiscal crises. He not only won an unprecedented electoral victory following his handling of the 1967 racial disturbances, but his cautious fiscal policy has proven to be electorally popular throughout the 1970s. He has also established a close working relationship with influential members of the city council, and continues to appoint his supporters to key administrative positions. Indeed, as a well-entrenched mayor, Maier is able to manipulate public resources for political purposes. This is particularly evident in the housing arena.

The city's housing department is run by the mayor and his top appointees, known as the "Marquette Mafia." The department provides for a patronage base since one-third of its positions are exempt from the civil service regulations. It is also said that the department awards many contracts to consultants who are political supporters of the mayor. Indeed, housing officials are well known for their involvement in mayoral politics. The city's housing department was also singled out by a recent state audit as one of the three city departments that lacked "meaningful control or monitoring" over its use of funds.

The mayor's influence extends to federal housing programs as well. Even though a separate agency was set up to administer the CDBG, there is no doubt that the locus of decision making remains firmly in the mayor's inner circle. For example, program priorities of the twenty-two million dollar CDBG fund are predominantly shaped by city hall and a few influential city council members. In Milwaukee, the thrust of the CDBG is to preserve the stable environment of fiscally sound neighborhoods in the city's south side. This strategy proves to be electorally popular to Mayor Maier, since his strongest support comes from the property owners in the predominantly white neighborhoods located in this part of the city. Political allies and supporters of the mayor are hired as consultants, awarded CDBG projects, and appointed as citizen representatives to the CDBG advisory body. As one neighborhood worker summarized, "Neighborhood groups are seen as either pro- or anti- mayor." The mayor's achievement in community development are also publicized in CDBG-funded publications. At the same time, with some influence over the allocation process, some city council members have been using federal resources for their own political advantages as well. The more influential have secured CDBG funds for their pet projects in their own districts and cut off funds to neighborhood groups that are associated with their political opponents. The "Marquette Mafia" also governs the ways the Section 8 program are carried out in Milwaukee. For example, despite strong pressure from the federal government, the city housing department has not provided any assistance to black families who might wish to move into section 8 units on the south side, since such an action would amount to "political suicide." The mayor also maintains direct correspondence with the federal government with regard to all issues related to both of these federal programs. As a representative of a neighborhood group observed, "The mayor's the chairman of the board. City hall does not try to be subtle on policy issues when the mayor wants certain things to happen."

In direct contrast to the housing policy arena, school policies in Milwaukee are largely autonomous of the preferences of the city political and economic elites. The fiscally and politically independent school system in Milwaukee limits the mayor's influence. The school system is highly professionalized and bureaucratized. It remains a highly reform institution; school board meetings are publicly broadcasted, budgetary and other school decisions are open to public scrutiny, and organized interests are frequently given formal opportunities to voice their preferences in the system. Even the often politicized issue of school desegregation was effectively handled by the professional staff following the 1976 court order.

Table 2

City Population 1960-80

	Total	% White	% Black	% Other	City Population as % of Metropolitan area population
Milwaukee					
1960	741,310	91.0	8.5	0.5	62
1970	717,372	84.3	14.7	1.0	51
1980	633,843	73.3	22.9	3.8	46
Baltimore					
1960	939,127	65.0	34.6	0.4	54
1970	905,787	53.0	46.4	0.6	44
1980	786,775	43.8	54.8	1.4	36

Sources: United States Department of Commerce, Bureau of the Census, Advanced Reports: 1980 Census of Population and Housing, March 1981; SMSA Consolidated Sheets, 1960, 1970 and 1980; County and City Data Book, 1967.

Table 3

Economic Trends: Milwaukee and Baltimore, 1964-1979

	Total Retail Sales ($ millions)		Disposable Personal Income ($ millions)		Estimated Personal Household Income	
	Current	Constant[a]	Current	Constant[a]	Current	Constant[a]
Milwaukee						
1964	1,477	1,590	2,203	2,371	8,416	9,059
1969	1,579	1,438	3,016	2,747	12,272	11,177
1974	1,739	1,177	4,060	2,749	17,311	11,741
1979	1,984	1,044	3,989	2,099	16,750	8,816
Baltimore						
1964	1,870	2,013	3,066	3,300	10,615	11,426
1969	2,012	1,834	3,303	3,008	11,910	10,847
1974	2,224	1,506	3,875	2,634	13,611	9,215
1979	2,342	1,233	2,978	1,567	10,172	5,354

SOURCE: Editor and Publisher, Market Guide, New York, 1964-1979.

NOTES: [a]In 1967 dollars.

Table 4

Administration of Federal Programs at the Local Level

Character of Local Administration	Type of Federal Program	
	Redistributive	Developmental
Politicized	Milwaukee's Section 8 Baltimore's Section 8	Milwaukee's CDBG Baltimore's CDBG
Somewhat Politicized	Baltimore's ESEA Title I	Baltimore's Vocational Education
Professionalized	Milwaukee's ESEA Title I	Milwaukee's Vocational Education

The administration of federal educational programs generally conform to these characteristics of the school system. For example, specialized offices were set up as soon as the district began its ESEA title I and vocational education programs in the mid-1960s. Administrative responsibilities are assumed by individual program coordinators. The use of federal monies is accounted for, and there is expertise to supervise the compliance with federal requirements. Correspondence with federal offices is conducted by experienced professionals. In short, federal programs are increasingly institutionalized into the standard bureaucratic procedure of the city's school system.

Unlike Milwaukee, Baltimore has all the characteristics of a machine-like city. Bearing close resemblances to the Daley administration in Chicago, the Schaefer administration in Baltimore is often considered as one of the most powerful surviving political machine in the United States. The Baltimore city charter allows for a strong mayor-weak city council form of government. The city's decision making body, the five-member Board of Estimates, for example, is dominated by the mayor and his two appointees. Also, the city council only has the power to cut items in the budget as decided by the Board of Estimates. In addition, Mayor Schaefer's power and influence has extended far beyond the formal authority. As an official in the city administration described, "Mayor Schaefer is very smart, very powerful, very tough and very honest." Even a critic admitted, "William Schaefer learns from Daley of Chicago to put his name on anything. He also knows how to recruit supports from the oppositions." It is no secret that Schaefer controls an overwhelming majority of the functionally-weak city council, whose members are seen as merely "high-level social workers." Also, political favors help sustain Schaefer's support among three influential black families, the Adams', Murphy's and Mitchell's, and other black community leaders. The mayor also enjoys the backing of local Democratic clubs, which in an electorate that outnumbers Republican by nine to one, has considerable political weight.

Finally, the mayor and his close associates have constructed a "corporate machine" that has autonomy over an enormous amount of public resources, and hence, a material base for the functioning of the political machine. (Baltimore Sun, 1980.) The mayor and his trustees in the corporate machine have become distributors of patronage in the form of low-interest loans to their friends and political supporters and other politically important community corporations.

The all-encompassing influence of Baltimore's city hall has permeated into the city's housing department as well as the fiscally and politically dependent school system. The mayor is "entirely committed, and has an obsession with Baltimore," said an official, "He's not ruthless but allows nothing to get in his way." Federal housing programs are more politicized in Baltimore because they are important for Mayor Schaefer's ambitious "Renaissance" to revitalize the city's commercial and residential bases. For example, a major portion of the CDBG federal funds were used to subsidize the glamorous reconstruction of the Inner Harbor area into a prosperous tourist attraction of hotels, shopping and restaurant malls, aquarium, and commercial landmarks, like the convention and the world trade centers. Another portion of CDBG funds was used to supplement the city's regentrification efforts through the construction of new-towns-in-town for young middle-class couples. In order to mobilize community support for his "Renaissance," Mayor Schaefer allocated the remaining federal resources to placate and coopt neighborhood

groups. Outspoken dissenting groups hardly received any CDBG projects. Concluded a community activist, "Usually those groups that are politically in line got most CD dollars. Then, the remaining money will be allocated to some marginal neighborhoods." Schaefer's "Renaissance" strategy has also governed the ways section 8 programs are implemented in Baltimore. Top level housing officials, for example, have instructed the section 8 staff to give top priority to displaced families as a result of private revitalization efforts. Section 8 budgeting are worked out jointly between the program coordinator and city hall. In short, the mayor is the housing "boss." As one who was intimately familiar with the city's housing efforts said in summary, "There is no question that the mayor has the final say in all decisions in the housing department."

School policies in Baltimore also reflect the concerns of elected political leaders. School expenditures which require the approval of city hall, are subjected to careful scrutiny by administrators who report directly to the mayor's chief aide. All nine school board members are mayor-appointed; in recent years, they have accepted a relatively passive role of approving agreements reached between school officials and city hall. The current superintendent is said to be "a good team player," who accepts as legitimate strong mayoral leadership. The mayor, in turn, is pleased with the school administration. It is trying to pursue policies that reinforce the mayor's overall policy of a "revitalized" city. Improvement in test scores over recent years are heralded as evidence that the school system's "instructional program is working." At the same time, controversial issues, like integration, are minimized. An official was quick to point out, "Mayor Schaefer has benefited by keeping schools out of the headlines while emphasizing downtown renaissance." Increasingly, the school system becomes another patronage base. Personnel that orchestrated mayoral activities are put on the school system's payroll. Central office school administrators who are found to be critical of the administration are either demoted or transferred. Not infrequently, resources are allocated in a politicized manner to serve as warnings to dissenters at the school building level.

Likewise, federal resources are mixed with the general fund and are frequently manipulated for political expediencies. A school administrator even went so far as to say that the school system has had a "whore's mentality" on federal funding, "grabbing whatever was available and never institutionalized the programs." While title I funds were seen as indispensable to test score improvement, they were also used to quash dissent within the system. Central office administrators played games with budget and program decisions, their critics alleged, often ignoring politically-quiescent schools regardless of their need, while threatening to withdraw or reshuffle funds from schools which attempted to deviate from supporting the central office concerns. At the same time, administrative personnel responsible for title I and vocational education have been changed several times in recent years. As a former central offfice administrator in vocational education explained, "There is a failure to promote able department heads, a failure to reward those with the greatest experience and ability. Our system's just bad in terms of picking leaders." Thus, the Baltimore school administration seems to be a politicized institution, even though it maintains a large professional staff to take care of the routine operation of the educational programs.

Federal Policy Implementation

Our findings from our two cases generally support our three hypotheses. In general, despite political differences between the two cities, redistributive programs generate more federal-local conflict, complexity and confusion than do developmental programs. Federal officials trust the locals less with redistributive money, and therefore they write tighter regulations, and more ready to discourage actively local diversion from the legislative objectives. In education, the redistributive program for the educationally disadvantaged has generated more conflict and concern than has the developmental vocational education program in both cities. In housing, Section 8 has encountered more problems at the local level than the CDBG.

Like other declining cities, Milwaukee and Baltimore are reluctant to implement redistributive programs. Both cities never use any local resources to subsidize the two redistributive programs, which continue to serve only a small fraction of the eligibles. Despite strict federal guidelines local administrations also resisted federal efforts to limit resource allocation to the low-income population. Instead, both school districts were found to have used portions of their ESEA title I federal funds for general school purposes. Local housing administrations paid little more than lip service to federal guidelines that were designed to insure quality housing standards to low-income section 8 tenants.

Within the redistributive realm, the difficulties in intergovernmental relations were much greater in housing than in education. We believe this is due in part to the lesser autonomy of housing officials. Housing policy is typically formed in the mayor's office--the local housing agency staff is relatively small and its members have been recruited at least in part for their political activities. The impact of redistribitive housing goals on the economic well-being of the community is carefully noted by high-level policy makers. With their shrinking fiscal capacity, local elites wish to concentrate land-use policies on programs that would bring about economic growth. As a result, federal-local relationship has taken an adversial character in both cities. At the initial stage, local administrators received helpful advice and technical assistance from the federal government. Federal officials also helped to train the local Section 8 staff. But, as the Section 8 program expanded, federal-local relationships became more strained as the federal government repeatedly found non-compliance at the local level. Indeed, section 8 officials in both cities have described their relationship with federal officials in these terms, "They always wanted to double check our reports and were distrustful of our handling of the program."

Intergovernmental conflicts over compensatory education policy, though not insignificant, have not been as intense as in housing. Redistributive educational programs are usually formulated by specialists in particular policy areas in the local school system. Even the school superintendent does not always seem to be well-informed about these programs. Instead, federal-local differences over federal regulations are easily resolved by the few experts who have been directly involved in the particular aspects of the program. Even when school districts were found to have misused federal ESEA title I dollars, federal-local disagreements were readily reconciled as the school professionals at the state level assumed the mediating role. The most

severe conflict over educational redistributive program has been in Baltimore, where school autonomy from local politics is sharply limited and where professional values and identifications are the least well developed. But even in that school district, local school officials are willing to rectify their previous neglects and accomodate to federal requirements. As a result, fairly smooth relationships have been established among federal, state, and local officials. Significantly, these have become increasingly stable and satisfactory to participants over time. While Title I programs initially met considerable local resistance, school professionals seemed to have found a modus vivendi that allowed for a focus on the needy without an exaggerated amount of federal red tape by the late 1970s. In other words, as professionals took hold, intergovernmental cooperation was gradually established over redistributive educational programs.

Finally, in the developmental realm, programs that are administered by more politicized institutions tend to generate a greater degree of federal-local cooperation. The most pronounced examples of intergovernmental cooperation are the CDBG programs in both cities. In both Milwaukee and Baltimore, the mayor's office has incorporated the CDBG as a major component of its overall city development strategy. In Baltimore, for example, federal CDBG dollars, together with private investment, were used to underwrite the city's "Renaissance." The success of these highly visible development projects has undoubtedly enhanced Mayor Schaefer's national image and consolidated his position in Baltimore. In Milwaukee, Mayor Maier directed the CDBG money to strengthen the city's fiscal base through maintaining the property value in neighborhoods adjacent to deteriorating areas, a policy that gains him the overwhelming support of white property owners in the fiscally-stable south side. Because the CDBG programs are politically as well as fiscally profitable, local officials are more willing to comply with federal requirements and do not see these as constraining their discretion. Over the seven program years, no serious disagreement between federal and local officials have emerged over CDBG in the two cities.

In education, federal-local cooperation on vocational education programs has been less extensive than in the case of CDBG. In both cities, school professionals are unhappy with the excessive amount of paperwork in exchange for what they see as a very limited federal allocation that constitutes only 15 percent of total program expense. In the absence of more resources, most vocational curricula are lagged behind the changing needs of the market. Though there are examples of business-school cooperation in improving the curriculum, the involvement of the private sector remains quite limited. Placements of vocational students are less than satisfactory. In Baltimore, where the mayor has taken a special interest in vocational education, economic elites are more willing to play an active role. But even here, business involvement is restricted to a limited set of showcase activities. Apparently, where professional control of a developmental program has solidified, it is more difficult to mobilize local capacities, both public and private, behind developmental objectives.

Our findings on these differentiated patterns of federal-local relationship are further documented in the following section. Table 5 summarized our major findings.

Intergovernmental Relations in the Redistributive Realm

The extent of political dominance over professional autonomy has affected the degree of federal-local conflict in the implementation of redistributive programs. The more politicized housing agencies in Milwaukee and Baltimore have encountered the most problems with the federal government in the section 8 program. While both school districts were more ready than the housing agencies to meet federal requirements, the more politicized school administration in Baltimore nonetheless had more difficulties in complying with the federal Title I guidelines than did Milwaukee's.

Section 8 Housing Program. In Milwaukee, the major area of federal-local "tension" is over the extent of providing better housing opportunities for Section 8 black families in non-minority areas. Indeed, since 1980 the HUD area office has twice recommended to the federal government that, if Milwaukee continued to show no progress toward "deconcentration" in the Section 8 program, the federal government should withhold the CDBG and other community development grants and loans to the city. Though the federal government has not adopted this recommendation, the federal-city differences over how the Section 8 should be implemented certainly emphasizes the degree of conflict that can occur when a political agency is administering a redistributive program.

The federal government's desire to provide low income units in a "dispersed way" is in direct and immediate conflict with the city's goal of preserving stable neighborhoods. Previous federal attempts to locate public housing units outside of minority areas were met with severe opposition from neighborhood groups. In order to avoid undesirable reaction from the communities, the city administration decided to implement this redistributive Section 8 program in ways that were not detrimental to the city's interest. Consequently, the city's policy is to discourage Section 8 black families from moving beyond the inner city. Practically all the Section 8 units in the white south side are allocated to white senior citizens.

While the city looks for ways to meet the housing needs of low-income families without disrupting the existing housing pattern, the federal government emphasizes promotion of greater social and economic opportunities for the needy. In a recent program review, the federal government concluded that "currently an equitable distribution of family public housing does not exist in the city of Milwaukee." (HUD 1981a) More specific federal charges were focused on the city's Section 8 program, in which black participants were found to be concentrated in minority areas and white participants in predominantly white neighborhoods. According to this review, all black families participating in the program are located in minority areas in the north side. Despite federal complaints, the city administration is determined to resist any change in the status quo. In 1981 city officials proposed to set up two "demonstration projects," but were disapproved by the federal government. These proposals would have allowed Milwaukee more autonomy over the Section 8 program and waived the legislative intent of tenant mobility. This serious policy difference between the federal and the local government seems to be irreconcilable and will continue to exacerbate many other local complaints on the administrative complexity of the Section 8 program.

Table 5

LOCAL RESPONSIVENESS TO FEDERAL POLICY

Character of Local Administration	Redistributive Programs	Developmental Programs
Politicized	Section 8 in Milwaukee & Baltimore	CDBG in Milwaukee & Baltimore
	ESEA title I in Baltimore	Vocat Ed in Baltimore
Professionalized	ESEA title I in Milwaukee	Vocat Ed in Milwaukee
	Less Responsive	More Responsive

Local Responsiveness

The section 8 program in Baltimore provides an example of how a declining city is reluctant to carry out a redistributive program even when the cost is paid for by the federal government. In recent years, the federal government has worked to maintain a certain standard of housing quality for low-income families. Even though Section 8 units are required to comply with a list of housing quality codes before the local authority is to approve the rental contracts, the Baltimore housing administration has assigned low priority to enforcing housing quality standards in the Section 8 program. Instead, manpower resources are concentrated on the city's revitalization program.

Because of limited efforts to insure the quality of Section 8 housing, the federal government has been critical of the housing stock in the Baltimore program. As early as the very first program review in late 1976, federal officials found numerous violations of the required Housing Quality Standard. There were no city inspectors specifically assigned to Section 8 inspections. Tenants were allowed to move into any unit without any housing inspection being conducted in accordance with the federal code, a policy of the city that remains unchanged up to this date. In a most recent review, federal officials concluded that "the most significant findings that required corrective actions are several housing quality standard violations." (HUD 1981b) Though dismissed by city officials as "purposefully microscopic", the federal charges were substantial. For example, nineteen of the randomly-selected twenty Section 8 units were found to have been in violation of the housing code. But city oficials are blaming the excessive amount of paperwork for the lack of personnel to attend to these federal requirements. As a result, despite federal on-site-visits and quarterly reports, local officials are not likely to implement the Section 8 in full compliance with the legislative intent.

Compensatory Education Program. Inspite of their resistance in the initial program years, local school officials have come to identify with the ESEA Title I program objective of providing supplementary services to the disadvantaged. Officials are perceiving the Title I program as particularly responsive to the needs of their urban school systems. Local complaints over excessive federal requirements are now more than offset by their praise of federal fiscal commitment. But there had been difficulties in implementing this program. Both school systems had misused portions of their federal funds for general school purposes during the period of renewed federal efforts to enforce the legislative intent. The more politicized school administration in Baltimore had encountered more problems with various federal regulations than the professionalized staff in Milwaukee. But even in Baltimore, local administrators have become more responsive to federal guidelines through the newly established Title I office. As a result, despite the program complexity of Title I, federal-local relationships are found to be increasingly "harmonious." In both cities, disagreements are readily resolved among professionals "over the phone" and local-federal officials seemed to have agreed upon a modus vivendi toward the redistributive goals.

The dominance of professional influence in the Milwaukee school system has contributed to a largely harmonious federal-local relationship. A Title I office solely responsible for Title I was set up as soon as the program was started in mid-1960s. Ever since the 1973 federal audit, which the school system was found to have misused portion of its federal funds, local Title I officials were paying close attention to complying with all federal

regulations. Practically all Title I decision making was "centralized" at the Title I central office to ensure proper use of federal dollars. As a result, Milwaukee has not been audited by federal officials since 1973 and that many of the original federal charges were dropped, while school professionals have increasingly become familiar with the federal requirements. Significantly, local officials recognized federal Title I assistance as playing a major supplementary role in the educational system. As a top official summarized the federal-local relationship, "As long as the district gets its fair share of Title I allocation, federal guidelines will not be considered as problematic but as something we already have become accustomed to."

The implementation of Title I in Baltimore is shaped by the city's machine-like politics. Because federal dollars are mixed with the general fund, local school officials had been casual in targeting Title I dollars toward the disadvantaged and had used Title I dollars for "patronage" purposes. Consequently, the 1978 federal audits charged the district with failure to "fulfill its responsibilities in monitoring to determine that funds were spent in the Baltimore schools in conformity with federal regulations." But unlike Milwaukee, where professionals were quick to correct their evasive actions, school officials in Baltimore, supported by their colleagues at the state level, contended that the allegations were inaccurate and resorted to legal action. Meanwhile, under federal and state pressure, the local school administration agreed to set up a Title I office for the first time to oversee program implementation. The school administration has also responded to federal charges with substantial shifts of Title I personnel during 1978-1979 and with the introduction of an evaluation system since 1980. In recent years, though local officials have come to pay more serious attention to various federal requirements, Title I is still influenced by partisan considerations. Not infrequently, federal resources are used to reward political supporters and discipline outspoken school principals. Many admitted that the school system had "operated Title I program inefficiently, and had used a deficient accounting system," and continued to pay only lip service to federal regulations. As one Title I school principal said, "We never knew what comparability was." No doubt, as long as Title I is largely shaped by local fiscal needs and political expendiencies, the federal redistributive intent will continue to assume a secondary consideration in the school district. Nevertheless, as a result of the 1978 federal audits and the subsequent remedial measures undertaken by the Baltimore school system, school professionals have undoubtedly placed a greater emphasis on program compliance.

Intergovernmental Relations in the Developmental Realm

While the implementation of developmental programs has been largely harmonious, encountering much less difficulty than redistributive programs, the extent to which political and economic elites have participated has had a direct effect on local-federal relations. The more politicized CDBG are generating a higher degree of federal-local cooperation and harmony when compared to the professionally-dominated vocational programs. But the more politicized Baltimore school system seem to have won more visible and extensive support from business leaders for its vocational education.

Community Development Block Grant. Officials in Milwaukee always find the CDBG flexible enough to support the city's community development strategy.

Receiving $125 million since 1975, the city has simultaneously focused these CDBG funds on urban renewal efforts in the deteriorated inner city neighborhoods and on the preservation of better housing stocks in the transitional areas. Obviously, this preservation strategy tends to stabilize further outmigration of property owners from the city. As one official proudly concluded, "Our preservation efforts have convinced the property-owners that even if they were given the opportunities, they would not be better-off by moving out of the city." As a result, the percentage of owner-occupied units was maintained at a similar level over the last decade. (See Table 6) Moreover, CDBG federal dollars helped to relieve the fiscal burden of Milwaukee by delivering many municipal services, such as health and fire and crime prevention services, as well as providing capital improvement projects like playground construction, water and sewerage and other public works. It is, thus, no exaggeration when one official said that the CDBG has enabled the city to raise its property tax at a lower rate.

At the same time, various "pet projects" of the mayor and of the city council members were made possible. These projects, many of which were subcontracted, enabled the political elites to establish closer ties with grassroot organizations. Significantly, the CDBG resources also reinforced the mayor's "patronage" base in the housing bureaucracy. Because many of these projects are economically and politically profitable to the political leadership, the city administration is prepared to use local resources to replace federal cuts in various commercial and preservation projects. At the same time, the federal government is pleased with Milwaukee's performance. Because of the broadly-defined program objectives and regulations, federal officials have not found any misuse of funds in Milwaukee and credited the city administration for its full compliance with the legislative intent. Indeed, federal officials always find city officials "responsive and cooperative" with regard to federal inquiries. Quite frequently, federal officials sought the advice of the city housing staff in defining specific program requirements.

In Baltimore, the scope of local-federal cooperation in CDBG is equally extensive. Mayor Schaefer's "Renaissance" to revitalize the city was heavily supported by the CDBG funds. In a glamorous manner, Mayor Schaefer is using a combination of CDBG funds, private sources and other federal loans to extensively engage in a variety of commercial revitalization projects in the central financial district and its surrounding areas as well as in various neighborhoods. The well known Harbor Place, Charles Center and the Cold Spring "new-town-in-town" are some of these projects that make up the city's "Renaissance." Besides attracting new property owners and visitors to the city, Baltimore's CDBG helped to maintain residential rehabilitation in its many decaying areas, improve the living environment in deteriorating neighborhoods, and demolish slums and blighted areas throughout the city. Indeed, local officials see CDBG federal allocation as another "lump sum" available to the city and flexible enough to be allocated in whatever ways they would prefer.

Pleased by the magnitude of federal fiscal commitment in the developmental realm, city officials in both Milwaukee and Baltimore do not find the CDBG requirements difficult to comply with. Issues that are related to the interpretation of the legislative requirements and program objectives are resolved through consultations and conferences between the city and

federal officials. Because of the very strong political connections of these two powerful mayors with federal officials, there has never been any serious area of disagreement. The one often-cited area of local complaints was the "Housing Assistance Plan" (HAP) requirement, in that local administrations were required to submit a HAP in order to receive their CDBG entitlement. Local officials often called this requirement "the stick attached to the CDBG carrot." City housing staff were concerned with the enormous amount of tedious statistical works they went through in order to produce the HAP figures which would meet the relatively rigid federal standards. Nevertheless, regardless of their dissatisfaction with the HAP guidelines, local officials have always found the federal government agreeable to the ways they were handling their CDBG programs. For example, federal officials went along with the city proposed designation of CDBG program-recipient areas. Though some mismanagement and accounting-related shortcomings were found in the federal audits, city officials were allowed to correct their problems according to their own preferences. Thus, the intrusion of political leaders in the administration of CDBG seem to have contributed to a more vigorous developmental program.

Vocational Education. When compared to the CDBG program in the housing arena, vocational education programs have generated less local-federal harmony and cooperation. Agreement on the desirability of vocational training has failed to blossom into a full federal-local fiscal partnership in the same way as has occurred with CDBG. Instead, school officials are dissatisfied with the inadequacy of federal contribution as well as the excessive amount of paperwork. Despite these local complaints, school officials have appreciated their considerable discretion over vocational education programming. Federal monitoring are minimal and there are no federal on-site visits in recent years.

Table 6

City Housing Characteristics 1970-1980

City	Total Housing Units	% Owner-Occupied	% Renter-Occupied	% Vacant/ Unoccupied
Milwaukee				
1970	246,062	45.5	50.8	3.7
1980	253,056	45.1	50.4	4.5
Baltimore				
1970	305,530	42.1	52.6	5.3
1980	302,400	43.9	49.1	7.0

SOURCE: United States Bureau of the Census, 1980 Census of Population and Housing.

School officials in both Milwaukee and Baltimore highlighted how their small federal allocations have contributed to the improvement of their vocational programs. In Milwaukee, federal funds are used to supplement various conventional industrial training programs. But in recent years, federal dollars have been used to support various newly created specialty programs, like word processing at Hamilton High. These vocationally-oriented programs are set up at the high school level to attract white students following the court order to desegregate the school system in 1976. So far, these new specialty programs have gained widespread public support and principals are talking about program expansion. Indeed, these modernized specialty programs are likely to replace, at least gradually, some of the outdated technical courses. As school officials repeatedly stated their view of the federal role, "We want more federal allocation to initiate more new programs in order to produce a new population of skilled laborers as the World War II veterans are retiring." An improved vocational curriculum is very much in demand to prevent local industries from relocating outside of the city. However, school officials have so far been frustrated by the very limited amount of federal allocation as well as a lack of business interest. While there are a few cases of business-school cooperation, professional control in the Milwaukee school system seemed to hinder broader participation of the private sector. Instead, business representatives complained that many vocational counselors and teachers are "detached from the needs of the job market" and are "less willing to adjust to new and changing circumstances." In some schools, for example, the "grandfathering of teachers" in the math department hindered the introduction of the computer program. Moreover, many school board members, who themselves have been teachers, are still not interested in the business involvement in school affairs. While the superintendent has initiated new efforts to recruit private sector, the business impact at the school level remains minimal. As a result, even though the federal government urges local officials to adjust their programs to changing market needs, the vocational education curriculum only changes at the margins.

Like Milwaukee, school officials in Baltimore value federal support for vocational programs. The $2,500,000 federal allocation is now subsidizing more than fifty vocational programs that are offered in a wide range of instructional settings. Some even considered the federal contribution as a catalyst that has facilitated the modernization of vocational curriculum and helped underwrite the "Renaissance" of Baltimore's vocational education. One veteran administrator stated, "Fedeal funds have helped us to replace our outdated curriculum, and we've been turning that around. . . It's not spoken widely, but you hear from many observers that we're no longer associated with the old impression of manual training." As compared to Milwaukee, Baltimore's vocational education is noteworthy for the support it has received from Mayor Schaefer. The mayor's support of the new skill center is just one example. The mayor endorsed the skill center in 1978 when he stated, "It's true that we find vocational high schools in Baltimore, but there are not enough of them. When you think about the high unemployment rate we have, and the change in direction of everybody being a white-collar workers, then you know why we have to move in the area of skill centers." A vocational school principal with close ties to city hall confirmed that the center is "one of the mayor's top priorities." Others also praised Mayor Schaefer for serving as catalyst and coordinator of the project. "Schaefer made the skill center possible," said one school official, "He sees vocational education as a resource; he knows the

number of kids around town with nothing to do." Accordingly, many administrators in the school system hope that the mayoral support for the skill center will assist the transition for school to work for the two thousand students that will be using the new center. The extent to which the mayor is involved would certainly reinforce a more extensive partnership among city hall, the federal government, and the private sector. Without Schaefer's involvement, vocational education could still maintain a peripheral place in the school system.

Unlike the tightly-structured redistributive ESEA Title I program, the VEA legislation has allowed a greater degree of local discretion. In both Milwaukee and Baltimore, school officials admitted that the various legislative provisions and requirements have very marginal impact on the administration and nature of the vocational programs at the city level. For example, local administrators do not even mention their efforts to encourage "bilingual groups" to participate into vocational programs, while they recognize that enrollment of female in non-traditional areas is a very slow process. The legislative requirement of an advisory council also fails to improve placement opportunities. The only major impact of the legislation seems to be the requirement on evaluation and reports. Many school officials have talked about the "mechanical" nature of these reports. As one official summarized his complaint, "We could do some other things and gather some more beneficial statistics." Nevertheless, program requirements do not seem to generate any serious issue of intergovernmental disagreement in the two cities.

Conclusions

Our study on the implementation of federal programs suggests a more complex and differentiated intergovernmental relationship. Primarily, federal "redistributive" objectives are generally met with much local resistance, while "developmental" programs are readily accepted at the local level. But the extent of professional influences and autonomy from political elites tends to further differentiate federal-local relationship in these two program types. In the redistributive realm, we have found greater conflict and less effective policy implementation when local institutions are less autonomous from political elites. Where professionals are in control, as in the school system, there has been increased harmonization between the local and the federal governments toward redistributive goals. A similar degree of complexity is also found in the developmental realm. Federal-local cooperation are found to be reinforced when the federal developmental programs are more politicized and when the local elites are more actively involved.

These findings suggest the final proposition that policy research has policy consequences. While particular studies may have little policy significance, the cumulative effects of a broad research tradition will eventually have policy consequences--especially when a new political movement, eagerly searching for policy innovations, captures power. At one time, "marble-cake" views of federalism justified the expansion of grant-in-aid programs that marked the Great Society. More recently, implementation theory has justified federal retreat and an emphasis on block grants. Yet the latest set of ideas to have found political favor--implementation theory--may in fact be based on limited and out-of-date research. ESEA Title I today, is, for example, operated with much less conflict than was found by Jerry Murphy

(1971) in his excellent but perhaps a premature account of that program's administrative failure. Instead, a theory of federalism must be more complex and differentiated if it is to provide adequate policy guidance.

Specifically, we propose a theory that distinguishes between redistributive and developmental policy, urging that the former be a federal prerogative, while a good deal of developmental activity be left to state and localities. For example, vocational education may well be left to the states, but states are inadequate to the task of the ESEA Title I provision. While localities are ready to promote their CDBG-type with their own resources, the federal government needs to maintain an active role in those housing programs that benefit low-income families.

Secondly, we urge policy stability rather than drastic policy innovation. The best policies may be the ones that we already have, if for no other reason that they are already in place. Clearly, one of the most disturbing aspects of current policy innovations in Washington is that they may temporarily dismantle a host of administrative arrangements that had finally achieved a degree of technical and professional sophistication. If the political tide should turn again, new institutions will have to be established, creating once again a potpourri of confusion, conflict and complexity that we all wish to avoid.

References

Banfield, E. C. Political Influence. Glencoe, Illinois: Free Press. 1961.

Dahl, R. Who Governs? New Haven: Yale University Press. 1961.

Derthick, M. New Towns in Town: Why A Federal Program Failed. Washington, D.C.: Urban Institute. 1972.

Elazar, D. J., et al. Cooperation and Conflict: Readings in American Federalism. Itaska, Illinois: F. E. Peacock. 1969.

Gove, S., and L. Masotti, (eds.). After Daley: Chicago Politics in Transition. Urbana, Illinois: University of Illinois Press. 1982.

Grodzins, M. The American System, ed. by D. J. Elazar. Chicago: Rand McNally. 1966.

Greenstone, J. D. "Group Theories." in Fred Greenstein and Nelson Polsby (eds.), Handbook of Political Science II. Reading, Massachusetts: Addison-Wesley. 1975.

Greenstone, J.D., and P. E. Peterson. Race and Authority in Urban Politics. New York: Russell Sage. 1973.

Murphy, J. T. "Title I of ESEA: The Politics of Implementing Federal Education Reform," Harvard Educational Review 41:35-63. 1971.

Peterson, P. E. City Limits. Chicago: University of Chicago Press. 1981.

Pressman, J. L., and A. Wildavsky. Implementation. Berkeley and Los Angeles: University of California Press. 1973.

Truman, D. The Governmental Process. New York: Alfred Knoph. 1951.

Weidner, E. W. "Decision-Making in a Federal System." In Aaron Wildavsky (ed.), American Federalism in Perspective. Boston: Little, Brown and Company. 1967.

Wolfinger, R. E. The Politics of Progress. Englewood Cliffs, New Jersey: Prentice-Hall. 1974.